



## LAM SOON (HONG KONG) LIMITED

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 411)**

### **Nomination Policy**

#### **A. INTRODUCTION**

This policy was approved and adopted by the Board of Directors of the Company (the "Board") on 21 February 2019. It serves as a guiding mechanism and framework for the Board Nomination Committee ("BNC") on the process for new appointments of Directors, Group Managing Director ("GMD"), Chief Executive Officer ("CEO") and Board Committee members as well as the re-appointment and assessment of Directors.

#### **B. NOMINATION GUIDELINES**

##### 1. Assessment Criteria and Guidelines

The candidate will be assessed based on the following assessment criteria and guidelines:

- a) the strategic and effective fit of the candidate for the Board;
- b) the overall desired composition and the mix of expertise and experience of the Board as a whole;
- c) the candidate's age, skills, knowledge, experience, expertise, professional and educational qualifications, background and other personal qualities of the candidate;
- d) potential / actual conflicts of interest that may arise if the candidate is selected;
- e) commitment of the candidate to devote sufficient time to effectively carry out his/her duties, such as the number and nature of offices held by the candidate in public companies or organisations; and
- f) other factors considered to be relevant by the BNC on a case by case basis.

##### 2. New Appointments to the Board

- a) The BNC identifies or selects candidates recommended to the Board, with or without assistance from external agencies or the Company, pursuant to the Assessment Criteria and Guidelines as set out in paragraph B.1. above; and
- b) The BNC may use any process it deems appropriate to evaluate the candidates, which may include personal interviews, background checks (including bankruptcy search), fit and proper declaration made by candidates, relevant credit bureau checks, presentations or written submissions by the candidates and third party references.

### 3. Re-Appointments to the Board

- a) For Re-Appointments, the Directors will be evaluated on their performance in the discharge of duties and responsibilities, including, contribution to Board deliberations, commitment and also based on the Assessment Criteria and Guidelines set out in paragraph B.1. above;
- b) The BNC shall also consider the annual assessment results of the Directors, their contributions during the term of office and their attendance at Board meetings;
- c) In the case of a proposed re-appointment of an independent non-executive director (“INED”), the following factors will also be considered:-
  - the number of years he/she has already served;
  - whether he/she holds more than six listed company directorships;
  - the perspectives, skills and experience he//she can bring to the Board;
  - how he/she contributes to diversity of the Board; and
  - his/her continued independence as an INED pursuant to Rule 3.13 of the Rules Governance the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Listing Rules”).

### 4. Board Committee Appointments

The assessment for Board Committee appointments will be based on the directors’ potential contributions and value-add to the Board Committees with regard to the Board Committees’ roles and responsibilities.

## **C. NOMINATION, ASSESSMENT AND APPROVAL PROCESS**

Subject to the provisions in the Company’s Articles of Association, the following assessment and approval process of the appointments should be adopted:

- a) the BNC will consider the matter either by holding a physical meeting or by written resolutions;
- b) the BNC makes recommendation to the Board including the terms and conditions of the appointments and provides to the Board all the information required including information set out in Rule 13.51(2) of the Listing Rules in relation to the candidates;
- c) the Board deliberates and decides on the appointments based upon the recommendation of the BNC;
- d) the Board shall have the final decision on all matters relating to the recommendation of Directors to stand for re-election at any general meeting; and
- e) pursuant to Rule 13.74 of the Listing Rules, where shareholders are required to vote on electing or re-electing a director, the circular accompanying the notice of the relevant general meeting should contain all the information of the candidates required under Rule 13.51(2) of the Listing Rules.

#### **D. NOMINATION BY SHAREHOLDERS**

The shareholders of the Company may also propose a person for election as a director, details of which are set out in the “Procedures for Shareholders to Propose a Person for Election as a Director” of the Company.

#### **E. REVIEW OF THE POLICY**

The BNC shall review this Policy from time to time and propose to the Board for consideration any updates, amendments, modifications as appropriate to ensure the Policy continues to be relevant to the needs of the Company and is consistent with regulatory and corporate governance requirements.

#### **F. DISCLOSURE**

This Policy is available on the Company’s website. A summary of the policy and the nomination procedures, the process and criteria adopted by the Board Nomination Committee to select and recommend candidates for directorship will be disclosed in the Corporate Governance Report annually.